VZCZCXRO0247 OO RUEHPA DE RUEHOS #0297/01 0581621 ZNY SSSSS ZZH O 271621Z FEB 06 FM AMCONSUL LAGOS TO RUEHC/SECSTATE WASHDC IMMEDIATE 6679 INFO RUEHZK/ECOWAS COLLECTIVE IMMEDIATE RUEHBK/AMEMBASSY BANGKOK IMMEDIATE 0073 RUEHEG/AMEMBASSY CAIRO IMMEDIATE 0121 RUEHDK/AMEMBASSY DAKAR IMMEDIATE 0680 RUEHLO/AMEMBASSY LONDON IMMEDIATE 0554 RUEHML/AMEMBASSY MANILA IMMEDIATE 0095 RUEAIIA/CIA WASHINGTON DC IMMEDIATE RHEBAAA/DEPT OF ENERGY WASHINGTON DC IMMEDIATE RUCPDOC/DEPT OF COMMERCE WASHDC IMMEDIATE RUEATRS/DEPT OF TREASURY WASHDC IMMEDIATE RHEFDIA/DIA WASHINGTON DC IMMEDIATE RUEKJCS/SECDEF WASHINGTON DC IMMEDIATE

S E C R E T SECTION 01 OF 02 LAGOS 000297

SIPDIS

NOFORN SIPDIS

STATE PASS DOE FOR DAS JBRODMAN AND CGAY TREASURY FOR ASEVERENS AND SRENENDER COMMERCE FOR KBURRESS STATE PASS TRANSPORTATION FOR MARAD STATE PASS USAID FOR GWEYNAND AND SLAWAETZ STATE FOR DS/IP/AF, AF/EX, DS/IP/OPO, DS/ICI/PII, DS/DSS/ITA

E.O. 12958: DECL: 02/26/2016

TAGS: EPET PGOV ASEC PTER KHLS PINR ETRD CASC NI SUBJECT: NIGERIA: HOSTAGE-TAKING, SITREP #11

REF: A. LAGOS 290 AND PREVIOUS

¶B. 05 LAGOS 1951

Classified By: Acting Pol/Econ Chief Shannon Ross for Reasons 1.4 (D &

Hostage Welfare Update

1. (C) Chief Edwin Clark, a member of the Delta State negotiating committee, told Econoff more medicine was dispatched for the hostages on Saturday.

Negotiations Update

- 12. (C) Clark and other sources around Warri told Econoff some of the hostages would be released soon. Shell contacts independently report this, and indicate the partial release would consist of Thai, Philippine, and/or Egyptian hostages, and possibly AmCit Macon Hawkins. Bayelsa State Secretary Dr. Igali, a central figure in the resolution of the January hostage crisis, disputes claims by Clark and Ibori of any movement in negotiations, and claims international involvement will be required to obtain the hostages' release.
- $\underline{\ }$ (C) Several sources from Rivers and Delta State governments told Econoff President Obasanjo has set up three alternate lines of negotiation to attempt to resolve the crisis. They include military, Judy Asuni's Peaceworks, and another civilian team (a Rivers State contact identified the third team as the Niger Delta Development Commission (NDDC)), and are independent of the Delta State committee set up by Governor Ibori. All three of the Abuja-directed teams are in contact with the kidnappers, who are reportedly "shopping' among them to negotiate the best deal. A Rivers State contact reports the NDDC has offered the kidnappers 50

million naira (approximately 390,000 USD) for the hostages' release. The military negotiating team is reportedly meeting with the kidnappers to confirm logistics and to which intermediaries they are willing to release the hostages.

14. (C) Governor Ibori told Econoff he is briefing President Obasanjo on progress of the negotiations today in Abuja, and will meet with Econoff after he returns to Warri. (Comment: Governor Ibori plans to attempt to turn off other negotiating lines as counter-productive to the Delta committee. End comment.) Ibori told Willbros yesterday he knows who the captors are, and where the hostages are being held, but negotiations are being complicated by "reporters' interference." Ibori told the British Deputy High Commissioner the release of some of the hostages was expected by now, but hard-liners among the militants have insisted on waiting for funeral rites for Government Ekpemukpolo's cousin to be completed.

Energy Update: Shell Facilities Still Closed

15. (C) There is no change in the status of damaged or closed Shell facilities, and production remains reduced approximately 550,000 bpd. Shell reports between 500 and 600 personnel have been evacuated from the threatened areas since the crisis began. Power generation remains down by approximately 850 MW (of a total of 3200 MW nationwide) due to a damaged gas feeder line, which cannot be repaired until the security situation improves. Chevron reports some damage to a pipeline near Escravos reducing throughput by approximately 6000 bpd. While it is likely due to sabotage, Chevron does not believe it to be connected to recent MEND

LAGOS 00000297 002 OF 002

activity.

- 16. (C) Shell reports a vessel near Onne (outside of Port Harcourt) was approached by a suspicious flyboat, but succeeded in outrunning it. Shell remains cognizant of reports surfaced during the January hostage situation of possible diversionary attacks around Port Harcourt designed to draw Nigerian naval forces away from the Bonny Island facilities and leave them vulnerable for attack. Bonny Island is a large center of oil and gas production in Nigeria, and would represent an extremely valuable target (reftel B).
- 17. (C) Chevron reports increasing inquiries about rumors and media claims of US counter-terrorism intervention in the communities where they operate. (Comment: These reports are the first signs of potential negative impact from the rumors. End comment.)

Military Update

 $\P8.$ (S/NF) For further update on military plans in the region see TD-314/14024-06 dated 27 February.

-----Media Update

19. (SBU) Vanguard reports a warning from Ijaw leaders to the US not to employ anti-terrorist specialists in a rescue attempt or risk aggravating the security situation in the area. Punch reports additional attacks on the Odidi II flow station (confirming last week's report) as well as a gas flow line at Beniboye, near Forcados, operated by Agip, but there is no additional degradation in production from these attacks. Other media report Abel Oshavire, a spokesman for Governor Ibori, said the hostages are expected to be released within a matter of days, and likely in small batches instead

of all at once.

<u>¶</u>10. (SBU) This Day reports General Bamali, commander of the 2 Division in Ibadan, reiterated the army's absolute loyalty to civil authorities and promised to defend the constitution. Bamali said his priority is on training the army to defend the country's territorial integrity.

Consular Update

111. (C) There have been no reports of additional attacks on AmCits. Two mission Econoffs are in Warri monitoring negotiations and prepared to assist with repatriation. The UK is dispatching a consular officer to Warri to monitor negotiations and assist with repatriation.

Repatriation Plan Update

 $\underline{\mathbb{1}}$ 12. (C) We have solidified repatriation and debrief plans, including the possibility of a partial release, and are coordinating dissemination with Thai, Egyptian, Philippine, and UK representatives. HOWE